

PRIVATE SECURITY COMPANIES IN THE CZECH REPUBLIC: AN EXPLORATORY ANALYSIS

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ABSTRACT: Czech private security companies have thus far received relatively little attention both internationally and, until recently, domestically. This article attempts to fill this gap by analysing the key characteristics of the market with more than 6,000 private security companies that together account for more employees than the Czech national police force. It first shows that the origins of the current Czech market for private force are intrinsically linked to the end of the Cold War and the corresponding collapse of the centrally planned, state-owned economy in (then) communist Czechoslovakia. The remainder of the article offers an analysis of current developments and their impact on the ongoing debates about the provision of security as a public good. In particular, they relate to the political debate surrounding the much delayed drafting of the law on the provision of private security services, which has become rather heated since 2010 due to the personal and alleged financial linkages between a major Czech private security company (ABL) and a new political party, Věci veřejné. This has raised serious concerns about the undue influence of private security companies in both the political process and the provision of security in the Czech Republic.

KEYWORDS: Czech Republic, private security companies, privatisation, security, politics

INTRODUCTION

Czech private security companies have thus far received relatively little attention both internationally and, until recently, domestically. This article attempts to fill this gap by analysing the key characteristics, developments and controversies of the Czech private security industry, which has experienced steady growth since the end of the Cold War.¹ There is little official data available due to

methodological issues (absence of codes for private security services) which prevented the Czech Statistical Office from collecting information about the private security industry until 2008. One therefore has to rely on the data provided on an *ad hoc* basis by various public bodies, newspapers and professional associations of PSCs. In particular, the reports published by the Union of Private Security Services of the Czech Republic in 2004, 2006 and 2010 offers, what appear to be, fairly reliable estimates of the basic indicators of the Czech private security industry. The 2004 report, referring to data from the Czech Ministry of Trade and Industry, pointed to a steadily growing market in terms of both the total number of registered PSCs (see table 1) and in terms of the job opportunities created by the industry. According to the data from the Czech Statistical Office, there the number grew from 3917 in 1997 constantly to 5597 officially registered PSCs with a total of 56205 employees as of 31 December 2008.² The latter number appears to be valid even as of mid-2011, although according to the established weekly *Ekonom*, only about 200 of these companies actually really offer some services.³ Despite the huge number of firms, out of the 4703000 people employed in the Czech private sector in 2003, only 0.98% (i.e. 46202 employees) worked for PSCs.⁴ The size of the Czech private security industry is, nevertheless, significant, as the total number of its employees for several years now outnumbering national police personnel (about 41000 as of 2011).

TABLE I. NUMBER OF ENTITIES ACCORDING TO THE CZECH DEPARTMENT OF TRADE & INDUSTRY

| Industry Name | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|--|-------|-------|-------|-------|-------|-------|-------|-------|
| Protection of Property and Personal Protection | 3 917 | 3 429 | 4 388 | 4 820 | 5 367 | 5 611 | 5 534 | 5 679 |
| Investigative and Protective Services | 49 | 53 | 83 | 98 | 93 | 87 | 82 | 79 |

Source: Union of Private Security Services of the Czech Republic 2004, supplement no. 1, p. 9.

Additionally, the industry generates substantial revenues. According to data from the Association of Private Security Services of the Czech Republic, the total turnover of Czech PMCs in 2008

was nearly 20 billion CZK (approximately \$1.18 billion USD),⁵ with at least 30% of the orders coming from public sector entities.⁶ As with all other sectors of the Czech economy, private security services were negatively impacted by the consequences of the global financial crisis, with the total revenues declining in 2009 by 5.9%.⁷ In 2010, according to newspaper sources, the total revenue generated by the officially registered Czech PSCs was 16 billion CZK (approximately \$941 million USD), with the “unofficial” shadow market with PSC services⁸ adding another 2.5 billion CZK (approximately \$147 million USD).⁹ This amounts to nearly 05% of the total Czech GDP in 2011 (3669 billion CZK/\$216 billion USD).¹⁰

This article proceeds as follows. The first section maps the evolution and key characteristics of the Czech private security industry. The key services and companies are introduced in section two. The third section discusses the reasons for, and the implications of, the persisting lack of clearly defined legal standards for an industry comprised of several hundred of PSCs with a combined annual revenue approaching \$1 billion (USD). The fourth section offers an analysis of the recent concerns about undue influence of the largest Czech PSC on both the political process and the provision of security in the Czech Republic. The article concludes with a plea for greater expert attention to the future developments in the Czech private security sector, which is already exhibiting several unique problems concerning excessive influence of private security actors in the public decision-making processes.

THE CZECH PRIVATE SECURITY INDUSTRY: ORIGINS, EVOLUTION, KEY CHARACTERISTICS

The first private security companies in the (then) Czechoslovakia emerged only after the November 1989 Velvet Revolution that brought down the communist regime which had ruled the country since 1948. Under this regime, all security forces were under the control of the Czechoslovak Communist Party, which was constitutionally granted a monopoly of power. Consequently, there was no room for any type of private security enterprise. Their time therefore came only in the early 1990s, when the Czech Republic embarked on what many economists have subsequently called the “shock-therapy” transition toward a free market economy,¹¹ which

included both the privatisation of state assets and the opening of market opportunities for the provision of all kinds of services, including security. This transition is an important explanatory factor for the current shape of the Czech market with PSCs.

Firstly, the emphasis on establishing the market economy as quickly as possible meant that the necessary legal, regulatory and bureaucratic changes lagged behind to such an extent that even some of the most basic rules were put in place years after 1989.¹² In the case of PSC services, the legal and regulatory measures are still yet to be put in place (see below). Secondly, the strong push for speedy privatisation was based on the belief that the invisible hand of the market is inherently superior in provision of any service than the public sector. This even included the provision of security, for which there was a growing demand especially in newly privatised enterprises, where the Czech employees continued to behave as they were used to under socialism, e.g. following the adage that “if you do not steal from the state, you are stealing from your family.” This rather unfortunate legacy continues to trouble many Czech businesses until today. As one PSC representative complained: ‘You will always keep stumbling on something over which foreign investors shake their heads. A funny example might be a giant slingshot used by workers to shoot poultry from a factory of one well-known company in the nearby fields.’¹³ Thirdly, the peculiarity of post-communist Czech mentality is also something the managers of foreign PSCs often find difficult to deal with, which explains why there are so many relatively small and locally operated Czech PSCs. Nonetheless, several major international PSCs did establish their Czech subsidiaries already in the early 1990s. Taking advantage of the know-how, capital base and better insurance deals, they quickly established themselves as the biggest players in the market (see below).

It is also important to note that the entire post-1989 Czech market for private force encompasses only the lower levels of the force continuum. In the Czech Republic, the term private security company (PSC) therefore refers to entities that provide mostly passive security services to counteract “decent ordinary crimes” such as burglary. The higher levels of the force continuum are not covered – there are no private military companies (PMCs) in the Czech Republic, domestic or international. In the absence of any previous

research, one can only speculate why this is the case. On the demand side, there has been no need for private military services due to the peaceful nature of the transition from communism (the Velvet Revolution) and the smooth break-up of the Czechoslovak Federation in 1993. On the supply side, the Czech army has undergone substantial force reductions (from over 100,000 in 1993 to slightly over 20,000 as of 2011), but much of this was achieved by the elimination of mandatory conscription, which provided over 70% of all manpower during the Cold War.

Furthermore, most Czech PSCs offer all of their services domestically. Only some unofficial internet sources have alleged that ‘the rumor is that there are private security contractors with Czech equity shares supplying services to various places of conflict.’¹⁴ Speculations have also emerged about the ‘training of Czech citizens, who become “security specialists” for places such as Iraq, which is allegedly occasionally conducted in various locations of the territory of the Czech Republic, under the guise of private bodyguards training,’ and some Czech citizens allegedly ‘serve as armed contractors, including places like Iraq.’¹⁵ There were also reports in the Czech press that following the US-led invasion into Afghanistan, one Czech PSC has unsuccessfully tried to enter the Afghan security market in cooperation with the help of Czech-Central Asian Chamber of Commerce.¹⁶ Unfortunately, it is impossible to verify any of these claims.

KEY SERVICES, COMPANIES AND PROFESSIONAL ASSOCIATIONS

In terms of services provided, property and personal protection have generated most of the Czech PSC’s turnover, with private detective services coming in a distant second place (see table 1). More recently, however, there has been a sizeable shift from the provision of direct physical security services (i.e. the deployment of guards) towards greater utilisation of electronic monitoring systems (i.e. CCTV systems complemented with distance patrol services).¹⁷ As elsewhere in the world, this trend is the result of greater availability, decreasing costs and increasing sophistication of, and trust in, technical security solutions. Nevertheless, in the Czech Republic, the end result is apparently not always positive because:

In many cases, the public sector invests (often too lavishly) in various technologies and development of sophisticated procedures, only to immediately effectively write-off all of this investment by hiring the cheapest operator for these services, while omitting the fact that each system must be professionally maintained, controlled, and constantly monitored and updated to reflect the ever evolving security environment.¹⁸

Such shortcomings are partly the consequence of the absence of any specific legal regulation for the provision of private security services in the Czech Republic (see below), which means that there are no legally-binding minimum standards for the quality of the offered security solutions. At the same time, however, the more established PSCs blame the public sector authorities for awarding 90% of all their contracts based solely on the criterion of price. Although cost cutting is usually considered to be one of the key reasons for, and advantages of, security privatisation, in the Czech Republic the public sector apparently even awards contracts to private providers whose price offers cannot even cover the payment of the legally-required minimum wage for their employees.¹⁹ This practice significantly decreases the quality of provided private security services and encourages the proliferation of PSCs of rather questionable reputation. It is arguably also one of the obstacles to the consolidation of the Czech market for private force, with thousands of registered PSCs in a country with a population of 10.5 million whose territory is slightly smaller than that of South Carolina.

The two biggest players in the Czech market are local subsidiaries of leading international PSCs. SECURITAS CR Ltd – a local subsidiary of the Swedish PSC Securitas AB – is ranked first in terms of annual revenue (1,435 Billion CZK/\$84 million USD in 2009), and in number of employees (4,500 in 2009). Established in 1991, SECURITAS is also one of oldest players.²⁰ Second is the subsidiary of a British PSC, G4S, with an annual revenue of 1.4 billion CZK (\$82 million USD) and has 2,500 employees.²¹ Third in the market is the largest Czech PSC ABL, with 1,335 employees.²² Founded in 1992, its annual revenue in 2010 reached 889 million CZK (\$52 million USD).²³

There are at least 16 professional associations of PSCs working in the Czech Republic. The most important associations include the

Chamber of Commercial Security Companies, the Czech Club of Private Security Services, Czech Chamber of Detective Services, Association of Technical Security Alarm Services, the Security Club, and the Association of Private Security Services of the Czech Republic. The last two associations together form the Union of Security Services of the Czech Republic, which is arguably the most active association in terms of providing publicly accessible publications and information about the Czech private security industry. The Union is also the only association whose members are both the larger players in the market (members of the Security Club) and the smaller and medium-sized PSCs (members of the Association Private Security Services of the Czech Republic). Their combined share of the revenues represents about 25% of the entire Czech private security market.²⁴ The large number of PSC associations is largely due to the fact that they have, thus far, mainly focused on promoting only the specific interests of their own members, in particular when it comes to securing relatively minor, yet potentially lucrative, legislative changes related to the technical standards for the provision of their specific security services.²⁵ Other informal explanations from PSCs' representatives include competition between smaller and bigger PSCs, domestic and foreign-owned PSCs, as well as personal antipathies among some of the top representatives of the leading PSCs.

LACK OF LEGAL REGULATION

The evolution of the Czech private security industry has been negatively affected by the lack of a clearly defined legal framework for its key participants, the PSCs and their employees. This is largely due to the spontaneous course of privatisation of internal security services and the hitherto absence of the more controversial military security companies at the higher end of the force continuum. As a consequence, the regulation of PSCs services has not figured high on the agenda of policymakers, who were preoccupied with other more pressing issues in the process of transition from a centrally-planned to a free market economy.²⁶

As of 2011, the Czech Republic is the only EU member state where the provision of private security services is not regulated by a special legal act. Czech PSCs therefore operate as any other

type of private business under the general 1991 Trade Licensing Act (455/1991 Coll.), which specified three types of licensed security services:

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1. Services of private detectives.
2. Surveillance of persons and property.
3. Provision of technical services for the protection of persons and property.

The specific content of these licensed trades, however, has only been clarified in the 2000 Government Decree No. 469/2000 Coll., which in Annex 3 offered lists of specific services that fall within the three aforementioned services:

1. Companies providing security of persons and property: Providing services related to the security of immovable and movable property, transit security for money, valuables or other property, security of persons and specified interests, ensuring order in places of public gatherings, festivals, sporting events or popular entertainment as instructed by the customer, the assessment of security risks and preparation of protection plans, operation of central security panels.
2. Private detective services: Services related to the search of persons and property, identifying factors that may serve as evidence for proceedings before a court or administrative authority, gathering information regarding the personal status of citizens, natural or legal persons and their property, obtaining information in relation to debt recovery, tracing of illegal activities affecting trade secrets.
3. Provision of technical services for property and persons: Design, installation, maintenance, inspection and repair electrical security systems to protect property and persons from tampering, including security systems and a device for tracking people in and around buildings. Installation, maintenance, inspection and administration of mechanical security systems, increasing the effectiveness of current standards of security of persons and property.

The more established PSCs have, however, complained that although (officially) the market is classified as a licensed trade, in reality there are no such requirements that would make this business any different from any other unregulated trade. The requirements for the conducting of this

licensed trade are set up by the individual trade licensing offices. The monitoring of adherence to these requirements on their part is practically nonexistent.²⁷

The ever-increasing numbers of PSCs and their engagement in more controversial activities – especially in the private detective services area – prompted a number of public authorities to belated action. In 2007, at the initiative of the Ministry of Trade and Industry (MTI), an amendment of the 1991 Trade Licensing Act brought under one licensed trade all PSCs providing security of property and persons, and private detective services, claiming that the two trades share the common criteria for their operation. This has generated protest from affected PSCs, which accused the MTI of promoting a ‘pure “legal-ideological” approach to the issue of legislative regulation of PSCs’ activity, since it is the easiest one.’²⁸ Another adjustment was made in 2008 with the adoption of Act No. 274/2008 Coll. about the Police of the Czech Republic, which set minimum standards for the provision of property and personal security, and private detective services (a clean criminal record, health and minimum professional qualification of persons performing these activities). Even these adjustments have, however, not been accepted without reservations from some PSCs who held differing views on the qualification and evaluation standards for their employees.²⁹

The next adjustment was buried in Act No. 353/2003 Coll., which was updated by the Excise Tax Act No. 292/2009 Coll. in July 2009. According to the Union of Private Security Services in the Czech Republic, it again has done more damage than good by creating ‘confusion concerning the appropriate qualification requirements.’³⁰ by extending the deadlines for completion of the mandatory qualification examinations to 31 July 2012.³¹ The most recent legal changes occurred as a result of the adoption of Act No. 155/2010 Coll. which annulled the remit of the minimum standards definitions published in the aforementioned Act No. 274/2008 Coll. According to the Association of Private Security Services of the Czech Republic, the legislation concerning PSCs has therefore returned back to the state of the early 1990s, which reportedly serves the interests of ‘a group of foreign firms, especially from the former USSR, which under the guise of PSC business establish themselves in our country with the worst practices, as well as the corrupt Ministry officials, who got well paid [for these changes].’³²

Expressing their dissatisfaction with this rather haphazard evolution of the legal framework, seven of the major trade associations of Czech PSCs (out of more than fifteen currently existing) recently signed a joint memorandum ‘declaring the need to enshrine into law clear and transparent rules for business in this industry.’³³ According to a Ministry of Interior press release, this memorandum became ‘the first prerequisite for the successful preparation of the Law on Private Security Services, because the inconsistency of views from the business environment,’ along with the ‘different attitudes of political parties, were the key reasons explaining the past failed attempts to justify such codification.’³⁴ After discussing the need for a specific law for PSCs for two decades, the Ministry of Interior has finally produced its first draft in June 2011. Its key features include the following:

1. Requires all PSCs to obtain a license from the Ministry of Interior, which is subject to re-evaluation every five years.
2. Requires all PSCs to produce an annual activities report for the Ministry of Interior.
3. Divides PSCs services into four categories (patrol, detective, technical services and security consultancy) and sets the conditions for obtaining a license for each of these categories.
4. Clarifies the conditions for employee proficiency of PSCs (clean criminal record, appropriate training, standardised qualification exams, and mandatory health checks).

The achievement of all these objectives is, however, dependent upon the hitherto still missing political consensus concerning both the rules for, and limits of, privatisation of internal security in the Czech Republic. The opposition parties have criticised the draft of the law on various grounds, including the fact that the draft of the law does not push for the creation of a single Chamber of Private Security Companies as a guild authority.³⁵

IMPACTS ON PUBLIC DECISION-MAKING PROCESSES AND THE PROVISION OF SECURITY AS A PUBLIC GOOD

It is clear from the previous section that since 2010, the major professional associations of Czech PSCs have begun to coordinate their efforts to establish baseline standards for the entire field of security services in the Czech Republic. Although at least some of these coordination attempts have arguably been motivated by the shared

desire of the more established PSCs to eliminate their lower-end competitors, they could be potentially beneficial for the society at large. Apart from the aforementioned undesirable practice of some public authorities, which accept contracts from PSCs for prices that do not cover even the legal minimum wage requirements, the absence of a general legal regulation of PSC services has also led to the proliferation of largely arbitrary certification requirements, excessive labor qualification requirements and mandatory, yet often meaningless, insurance provisions in the publicly awarded contracts.³⁶ Apart from raising the costs of the contracted services, such requirements can easily be manipulated to fit particular companies in what are officially open bidding tenders. To some extent, this is yet another legacy of the aforementioned shock-therapy approach of the Czech economic transition where the drive for privatisation outpaced the necessary changes in the legal and regulatory frameworks (see above).

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On the other hand, it cannot be ignored that while calling for improved standards and legal regulation, the Union of Private Security Services of the Czech Republic openly declared that its member companies are also promoting further privatisation of security:

Private providers of property and personal security, as well as private detectives, are able to assume responsibility for many other areas, either independently or in coordination with the Czech Police, with the integrated rescue system, etc., as well as create a major reserve of forces and tools for handling of emergencies – floods, environmental accidents, etc.³⁷

Since there has been no real debate about either the limits of security privatisation or the inherent functions of the state, one can only speculate to what extent the aforementioned wishes of professional associations of Czech PSCs for further progress in the process of security privatisation are compatible with the broader values of Czech society.

A major problem is that both the expert and political debate about the limits of privatisation of security in the Czech Republic is still in its infancy. While the phenomenon of privatisation of security has been well covered both in the academic literature and in public discourse in a number of countries, in the Czech Republic it only came into the spotlight after the 2010 parliamentary elections. Due

to an unexpectedly large percentage of votes, a newly established political party called *Veci verejne* (Public Affairs – PA) was invited to join the government. PA's party leader was made Minister of the Interior despite that a number of other high ranking PA politicians previously worked for, or received contracts from, the largest Czech PSC, ABL. The fact that the founder, and until 2010 the director, of this PSC also became a member of the government as the Minister of Transport, and his wife was elected as the Vice-President of the lower (but in terms of legislative powers more important) chamber of the Czech Parliament, raised concerns in the Czech media 'that the process of privatisation of security will be managed by one man, both as a representative of the state and the founder of one of largest and financially strongest PSCs.'³⁸ These concerns were further reinforced by a number of widely publicised scandals concerning past contracts of ABL,³⁹ which ultimately almost led to the collapse of the entire Czech government when the other coalition parties demanded an immediate resignation of all Ministers for PA with any connection to ABL. In the end, the former owner of ABL resigned his post of Minister of Transport after the press reproduced the transcript from his lecture at a 2008 training session for the top management of ABL, where he outlined the key points from his Strategic plan for ABL for 2009–2014 (see Box 1). This plan clearly indicates intentions to use ABL for political gain and to sway domestic policy. Interestingly, the ultimate dispute among the governing coalition parties concerned the post of the Minister of the Interior, whose institution is formally in charge of writing the long-delayed law on private security services. Subsequently, the party leader of PA was also forced to resign from this position. He was replaced by a former head of the special anti-corruption police unit, who also founded a small PSC after leaving the public police force in 2008. The Czech media, however, mostly commended the new Minister's track record as a policemen and criticised the fact that former high ranking public officials are not sufficiently taken care of by the state after the finishing their public service, thus forcing them to search for job opportunities in the private sector.

Vision:

- Unified building of stable economic and political power.

Economic objectives:

- Create the strongest PSC in the Czech Republic with a dominant market position, via the strengthening of fake competition via friendly PSCs
- Development of new categories of customers in the field of public administration (health, education, government agencies, local government, social services)

Economic-political objectives:

- Development of a comprehensive security service for the [Czech] economic elites
- Producing projects leading to government contracts (private prison, luring away the employees in security areas)

Political goals:

- Building a coalition with the Civic Democratic Party [CDP] with the PA in 2010
- City hall control in Prague [districts] 1 and 5 in 2010
- Development of relations with Social Democrats for their government in 2010
- Taking over control of CDP in Prague [districts] 1 and 5 by 2012 (2014)
- In 2014 obtain 30% of CDP' votes in Prague, or 30% of the [Prague's] municipal council via PA

Resources:

- ABL, the economic base of power, in the following years to be led to maximum independence and depersonalisation
- PA, own political power base

*PSCs in
the Czech
Republic*

Source: *Idnes.cz, Bárta šel do politiky kvůli zakázkám, vyplývá z jeho tajného plánu.*
8 April 2011

As a consequence of the aforementioned developments, for the first time in the modern history of the Czech Republic, Czech journalists as well as the security experts of political parties provided substantial coverage of the issue of security privatisation, albeit without sufficient knowledge and understanding

of the complexity of the phenomenon and its possible political, economic, legal, and security impacts on the functioning of the Czech state and the lives of its citizens. Firstly, although both the current and previous managers of ABL deny any wrongdoing,⁴⁰ its previous contracts suggests that at least some Czech PSCs provide services that could fall in the category of so-called “inherently governmental functions,” i.e. those “affecting life, liberty, or property of private persons.”⁴¹ This particularly concerns the so-called “analytic” services, which include surveillance of persons and obtaining sensitive information about them, often using the latest technologies available whose utilisation even by the public police force requires a court order. Although the current laws do not give the employees of Czech PSCs any more power and/or jurisdiction than any to other citizens of the Czech Republic, their actual behavior sometimes appears to be rather different. According to the former Deputy Minister of the Interior, ‘there is a great mass of workers and hundreds of companies for which there are no rules yet. Eventually they might get out of control.’⁴²

Secondly, although the current debate about PSCs in the Czech Republic is only to be welcomed, it began late, when security privatisation was already a reality. As such, Czech politicians cannot take into account the warnings of foreign experts that the potential problems with use of PSCs’ services should be addressed well before their outsourcing begins.⁴³ As a consequence, rather than discussing the limits of privatisation and its impact on the provision of public security, the Czech political scene is now dominated by a controversy about the role of PSCs in shaping the very rules for their operation. On one hand, the government led by Prime Minister Petr Necas, which has faced criticism for the close linkages between several of its Ministers and Deputy Ministers with ABL, made the adoption of the law for regulating the activities of PSCs part of its official policy-making plan. To this end, it also enjoys the support of the largest opposition party, the Czech Social Democratic Party (CSSD). On the other hand however, not only the leaders of CSSD criticise the fact that the preparation of the law is in charge of the Ministry of the Interior, which was, until recently, led by the leader of PA, whose first deputies had just

quit their jobs as top managers of ABL. For example, the shadow Minister of the Interior from CSSD Jeronym Tejc specifically stated that:

The new law should not become an instrument intended to restrict competition in favour of several major security agencies. Likewise, it should not become a pretext for a significant extension of these services. In order to avoid such a situation, neither the representatives nor former employees of [private] security agencies should directly participate in its preparation in their role of the Deputy Ministers of Interior. Suspicion of a conflict of interest would be entirely appropriate in such a case.⁴⁴

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Given the extent of personal connections between the PSC ABL and the political party PA, such concerns are indeed reasonable because there is a risk which can be, with reference to the experience from other countries, described as the risk of reverse revolving doors – while in a number of Western countries formerly high-ranking political officials have at times assumed positions on the boards of national PSCs,⁴⁵ in the Czech Republic the former owner and other top managers of a major PSC have occupied the highest political positions, including the positions in the Ministry of the Interior. As such, the Czech variant of the revolving door phenomenon could have a rather adverse impact on both the political process and the provision of security as a public good.

CONCLUDING REMARKS

Whereas in 2004 the first report of the Union of Private Security Services of the Czech Republic concluded that the reputation of the private security sector in Czech society is ‘negative’ and the ‘social prestige of its employees is at the lower level’ nationwide,⁴⁶ the 2010 report claimed that due to their direct dialogue with the public authorities and the indirect dialogue in the form of conferences and media interviews, the Czech PSCs are no longer perceived as ‘tabloid, marginal, or what all become interested only in the case of “scandal,” but have become a part of the spectrum of regular businesses in the country.’⁴⁷ As of mid-2011, however, the private security industry representatives were again complaining

that it would be difficult to find a business sector with a worse public image and poorer reputation than theirs. In light of the aforementioned phenomenon of reversed revolving doors, the declared efforts of Czech PSCs' professional associations to overcome their current fragmentation, the continuing absence of laws regulating the provision of PSC services, and the belated start of the political debate about the limits and impacts of security privatisation, there is a real danger that the Czech private security industry may soon become a textbook example of the problems concerning excessive influence of private security experts in public decision-making processes and the provision of security as a public good.⁴⁸ The aforementioned ABL's Strategic Plan for 2009–2014 certainly can be seen as the first step in this direction, both in its spirit and the specifics. Similarly, the quantity and quality of the personal linkages of this major Czech PSC to a governmental political party is unique even at the global level. As such, although it has not generally been considered an important case thus far, the Czech private security sector does deserve closer attention of both Czech and foreign security experts.

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NOTES TO PAGES 41-56

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- 7 Ibid, p. 2.
- 8 The shadow market comprises of PSC services that are illegal without a court order and which only the public police force can execute under the current legal framework. This includes for example electronic communications interception or phone tapping.
- 9 Sykorova (2011), ‘ABL “vladnutí” prospělo. Loni zvýšila obrát o 30 procent.’
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